

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 7535**

**BILL NUMBER:** HB 1337

**DATE PREPARED:** Jan 6, 2001

**BILL AMENDED:**

**SUBJECT:** IURC Authority to Impose Civil Penalties.

**FISCAL ANALYST:** John Parkey

**PHONE NUMBER:** 232-9854

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill allows the Indiana Utility Regulatory Commission (IURC) to review certain aspects of a public utility's operations and to impose a civil penalty of not more than \$50,000 per offense if the IURC finds that the public utility:

- (1) has repeatedly violated a law, IURC orders, or an agreement between the IURC and the public utility; or
- (2) has severe deficiencies that the public utility has failed to remedy.

This bill provides that the IURC may impose only the civil penalties allowed under current law for violations of slamming and cramming laws by telecommunications providers.

**Effective Date:** July 1, 2001.

**Explanation of State Expenditures:** This extends the IURC's enforcement power over public utilities by giving the Commission the authority to assess civil penalties on utilities that have been found to have repeatedly violated laws, agreements, or orders. Under current law, the IURC can only revoke a certificate or permit. While this bill would make more options available to the IURC in the event of a violation or act of noncompliance, it should not require any additional procedures or expenditures for the Commission.

**Explanation of State Revenues:** This bill would authorize the IURC to impose a civil penalty of up to \$50,000 on a utility for each violation or act of noncompliance. Penalties would be deposited into the state General Fund. It is not known in how many instances the IURC would impose monetary penalties

The penalty provisions authorized by this bill would not change the civil penalties allowed for violations of laws related to slamming and cramming by telecommunication providers. Civil penalties assessed on these violations also are deposited in the state General Fund.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Indiana Utility Regulatory Commission; Office of the Utility Consumer Counselor.

**Local Agencies Affected:**

**Information Sources:** Mike Leppert, Executive Director of External Affairs, IURC, (317) 232-2714.